

## Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 201999

20

ORIGIN EB-07

INFO OCT-01 ARA-06 ISO-00 CAB-02 CIAE-00 COME-00 DODE-00

      DOTE-00 INR-07 NSAE-00 FAA-00 L-03 SS-15 NSC-05 /046 R

DRAFTED BY EB/AN:AJRIMAS:DAP

APPROVED BY EB/AN:WBCOBB

ARA/EP - R. WEBER

CAB - D. LITTON

----- 072048

R 252125Z AUG 75

FM SECSTATE WASHDC

TO AMEMBASSY LIMA

LIMITED OFFICIAL USE STATE 201999

E.O. 11652:N/A

TAGS:EAIR, PE

SUBJECT: CIVAIR: BRANIFF'S PERUVIAN OPERATING PERMIT

1. BRANIFF HAS BROUGHT TO ATTENTION OF DEPARTMENT CERTAIN DISCREPANCIES IN OPERATING PERMIT ISSUED BY GOP JULY 12, 1975 TO BRANIFF PURSUANT TO JULY 7 US/PERU UNDERSTANDING. A NUMBER OF THEM APPEAR TO BE INADVERTANT. THESE ARE:

ARTICLE 2, SUBPARAGRAPH (D) - BRANIFF'S ROUTE SHOULD BE DESCRIBED AS "LIMA-LOS ANGELES-SAN FRANCISCO," RATHER THAN "LIMA-SAN FRANCISCO-LOS ANGELES." ARTICLE 2, SUBPARAGRAPH (N) - BRANIFF'S ROUTE SHOULD BE DESCRIBED AS "LIMA-SAO PAULO-RIO DE JANEIRO," RATHER THAN "LIMA-RIO DE JANEIRO-SAO PAULO." ARTICLE 4 - THE AGREEMENT SAYS, "ALL FLIGHTS BETWEEN LIMA AND BUENOS AIRES WILL SERVE AT LEAST ONE INTERMEDIATE POINT IN EACH DIRECTION AND, IF FOUR OR FIVE FLIGHTS ARE OPERATED, TWO FLIGHTS WILL SERVE TWO INTERMEDIATE POINTS IN EACH DIRECTION." THE PERMIT

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 201999

STATES, "...WHEN THE FREQUENCY OF SAID FLIGHT IS INCREASED

TO 4 OR 5 FLIGHTS A WEEK, IT WILL BE REQUIRED TO SERVE TWO INTERMEDIATE POINTS IN EACH DIRECTION," THUS IMPLYING THAT ALL SUCH FLIGHTS MUST SERVE AT LEAST TWO

INTERMEDIATE POINTS IN EACH DIRECTION. THIS PERMIT LANGUAGE SHOULD BE CORRECTED TO REFLECT THE AGREEMENT. ARTICLE 6 - THE REFERENCE SHOULD BE TO "DOUGLAS DC-8-51 AIRCRAFT," RATHER THAN TO "DOUGLAS DC-8-54 AIRCRAFT."

2. EMBASSY IS REQUESTED TO DISCUSS ABOVE DISCREPANCIES WITH PERUVIAN AERONAUTICAL AUTHORITIES AND TO SUGGEST THAT THE PERMIT BE CORRECTED ACCORDINGLY. ALL CORRECTIONS LISTED ABOVE APPEAR TO BE SIMPLE AND WE DO NOT EXPECT PERUVIANS TO HAVE DIFFICULTIES ACCEPTING THEM.

3. THERE IS ONE ITEM, IN PERMIT ARTICLE 7, WHICH MAY CAUSE PROBLEMS. THIS PARAGRAPH FORBIDS ADVERTISING OR OFFERING FOR SALE OF TRANSPORTATION BETWEEN PERU AND POINTS NOT AUTHORIZED IN THE PERMIT WHEN THE ADVERTISING OR OFFER FOR SALE TAKES PLACE IN PERU. EMBASSY SHOULD MAKE INFORMALLY THE FOLLOWING POINTS TO THE PERUVIANS RE ARTICLE 7, AND REQUEST THAT THE LANGUAGE CONCERNING ADVERTISING OR OFFERING FOR SALE OF TRANSPORTATION BE DELETED:

A) IT IS STANDARD INTERNATIONAL PRACTICE FOR AIRLINES TO ADVERTISE ON-LINE AND INTERLINE CONNECTIONS, AND THE INTERESTS OF THE PUBLIC WOULD BE BEST SERVED BY ALLOWING CONTINUED ACCESS TO FULL TRAVEL INFORMATION.

B) WHILE IT WOULD BE REASONABLE FOR PERUVIANS TO REQUIRE THAT ONLY SERVICES AUTHORIZED IN THE PERMITS BE ADVERTISED AS THROUGH SERVICES, AND THAT ALL OTHERS BE ADVERTISED AS CONNECTIONS, IT WOULD NOT BE CONSISTENT WITH THE PUBLIC'S INTEREST AND THE INTERESTS OF BOTH THE US AND PERUVIAN AIRLINES TO PROHIBIT ALL ADVERTISEMENT OF CONNECTING SERVICES.

C) IF ARTICLE 7 WERE TO BE RETAINED IN BRANIFF'S PERUVIAN PERMIT, A SIMILAR PROVISION PROBABLY WILL BE INCLUDED IN LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 201999

THE US FOREIGN AIR CARRIER PERMIT ISSUED TO AEROPERU. THE CAB STAFF HAS RECOMMENDED THAT THE BOARD INCLUDE SUCH A PROVISION IN THE AMENDED PERMIT NOW UNDER CONSIDERATION AT THE CAB. IF UNITED STATES AUTHORITIES WERE TO APPLY SAME PROVISION TO AEROPERU, AIRLINE WOULD BE FORBIDDEN TO SELL OR HOLD OUT FOR SALE OR CARRY TRANSPORTATION BETWEEN UNITED STATES AND BRAZIL, CHILE OR ARGENTINA, SINCE NO MENTION THESE POINTS IS MADE IN US-PERU UNDER-

STANDING.

D) IT IS COMMON AIRLINE PRACTICE TO SEEK ADDITIONAL REVENUES BY ENCOURAGING MAXIMUM TRAVEL THROUGH POINTS

SERVED BY THE AIRLINE CONCERNED TO POINTS BEYOND THOSE COVERED BY ITS ROUTE STRUCTURE. THIS IS DONE BY ENCOURAGING PASSENGERS TO FLY THE AIRLINE CONCERNED AS FAR AS POSSIBLE AND THEN TO USE INTERLINE TRANSFERS TO REACH THE FINAL DESTINATION. SINCE AEROPERU CAN HARDLY EXPECT TO ESTABLISH SERVICE TO ALL POINTS WHICH ARE SERVED BY THE FOREIGN AIRLINES SERVING PERU, IT WOULD GAIN BY PARTICIPATING IN THE PROMOTION OF INTERLINE TRANSPORTATION, AS WOULD BRANIFF. CONVERSELY, THE INABILITY OF AEROPERU AND BRANIFF TO ADVERTISE SUCH SERVICES WOULD CONSTRAIN THEIR REVENUE POTENTIAL TO THE ADVANTAGE OF THIRD COUNTRY CARRIERS.

E) WE UNDERSTAND THAT LUFTHANSA'S PERUVIAN PERMIT DOES NOT CONTAIN THE PROHIBITIONS ON ADVERTISING OR HOLDING OUT OF SERVICES. INSTEAD, IT HAS A CLAUSE (ARTICLE 6) WHICH READS THAT THE AIRLINE "WILL NOT OPERATE WITH TRAFFIC RIGHTS TO POINTS NOT EXPRESSLY SPECIFIED IN THE FLIGHTS AUTHORIZED." LANGUAGE ALONG SUCH LINES WOULD BE PREFERABLE TO THAT CONTAINED IN BRANIFF'S ARTICLE 7 AND COULD BE ACCEPTABLE TO BRANIFF. HOWEVER, IT SHOULD BE NOTED THAT IF THE UNITED STATES WERE TO IMPOSE A SIMILAR REQUIREMENT ON AEROPERU, THE AIRLINE WOULD HAVE TO CHANGE FLIGHT NUMBERS AT LIMA ON FLIGHTS OPERATING FROM THE UNITED STATES VIA LIMA TO BRAZIL, CHILE OR ARGENTINA. INGERSOLL

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CIVIL AVIATION, AVIATION AGREEMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 25 AUG 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE201999  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** AJRIMAS:DAP  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750294-1024  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750820/aaaaarol.tel  
**Line Count:** 145  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 12 SEP 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <12 SEP 2003 by CunninFX>; APPROVED <30 OCT 2003 by GolinoFR>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CIVAIR: BRANIFF'S PERUVIAN OPERATING PERMIT  
**TAGS:** EAIR, PE, US, BRANIFF  
**To:** LIMA  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006